

LOGNOTE -- Chief, Operations Group, 3 May 1985

1. (Williams) [redacted] phoned this morning to report that he had just received the preliminary report from their architect on the "quantity" survey which is an initial audit of probable costs of any construction. He has received a figure of \$664,000 for the building (this does not include architect's fees, furnishings, TV cameras and the like). The heavy security and safehaven requirements which have been placed on the building will run up the costs above what would be normal costs of a standard apartment or office structure. Chuck estimates that we are looking at approximately \$1.1 million for a fully finished and equipped structure. Chuck has checked his estimates with the mission's costs for the new Embassy building and finds that their quantity survey has come in with costs considerably in excess of what our architect is estimating.

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Chuck will check a few unclear points with his architect and send us a refined estimate by middle of next week via DHL. He asked if RE&CD would send a man out to go over the costing with his local firm. I said I doubted that would be necessary if there is sufficient information in his breakdown of estimated costs. I said I was not particularly surprised at his final figure as some of the security measures are expensive construction items. I said the thing we need to keep in mind is that we have been in Cyprus a long time; we expect to use this building for a long time; we don't want to make compromises which will have long-lasting negative effects for the mere purpose of achieving a one-time cost avoidance.

(cc: D/FBIS, C/E&PS, C/AS, C/ED/FEB)